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July 26, 2005

## **VIA ECFS**

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

Re: WT Docket No. 02-353 (Advanced Wireless Services) Ex Parte Communication

Dear Ms. Dortch:

AWS Order").

This *ex parte* communication is filed on behalf of Centennial Communications Corp. ("Centennial") in connection with the Commission's consideration of a final band plan for Advanced Wireless Services ("AWS") in the 1710-1755 and 2110-2155 MHz bands.<sup>1</sup>

Centennial supports the Commission's efforts to establish final rules for the licensing of AWS spectrum. In establishing these rules, Centennial urges the Commission to adopt a flexible band plan that will afford carriers of all sizes a meaningful and realistic opportunity to acquire the spectrum needed to compete in the wireless marketplace. Increasingly, competition in this market is driven by consumers' desire for broadband access to a variety of services through their wireless devices. For most carriers, especially those employing GSM, additional spectrum is required to provide these advanced services..

Centennial is a regional wireless carrier providing service in two clusters located in the Midwest and Southeast of the United States. Centennial also provides wireless service in the U.S. Virgin Islands and in Puerto Rico, where the company is also a facilities-based CLEC. Centennial's mainland subscribers are located in rural and small town markets, and are served mainly by cellular licenses whose geographic areas are defined by MSAs and RSAs. Centennial principal concern about the band plans that have been proposed is the mismatch between the existing 734 MSA/RSA licenses and the much larger EAs, MSAs, and REAGs.

<sup>1</sup> See Service Rules for Advanced Wireless Services, Report and Order. 18 FCC Rcd 25612 (2003) (the

In an attempt to inject more flexibility into the final rules, several parties have proposed modifications to the Commission's band plan. Centennial supports these efforts to bring more flexibility to the AWS band plan and urges the Commission to be mindful of the many smaller carriers whose service areas remain for the most part defined by the MSA/RSA licensing scheme of the cellular rules. Many of these carriers hold 25 MHz of cellular spectrum and will invariably need additional spectrum to deploy 3G services and remain competitive. In addition, as national carriers seek to ensure that their customers have access to seamless networks, roaming agreement negotiations are being affected by requests for regional carriers to deploy these advanced services. Centennial and, we suspect, other regional carriers are eager to provide these advanced services, both for their own customers and for customers who roam into their service areas – but we cannot do so without sufficient spectrum to support those services. Of course, this issue adds an extra dimension to concerns about the continued availability of reasonable reciprocal roaming arrangements between regional and national wireless carriers.

The proposal of T-Mobile USA, Inc. ("T-Mobile") and Rural Telecommunications Group, Inc. ("RTG")² suggests dividing one of the Commission's proposed 30 MHz blocks into three 10 MHz spectrum blocks and licensing one on an MSA/RSA basis, another on the basis of Economic Area ("EA") markets, and the remaining one in the Regional Economic Area Grouping ("REAG") markets. Verizon Wireless³ offered an alternative that would increase the number of spectrum blocks from five to six and relocate the MSA/RSA block to make aggregation of the EA and REAG blocks easier. Most recently, MetroPCS Communications, Inc. ("MetroPCS")⁴ proposed the creation of seven bands, one of which would be 10 MHz licensed on an MSA/RSA basis; one 20 MHz band licensed in MEAs; another 20 MHz band licensed in EAs; and three additional 10 MHz bands of which two would be licensed in EAs and the remaining one in REAGs.

Of the three proposals, we believe MetroPCS's offers the most flexibility for all carriers, including small, regional carriers like Centennial. However, assigning only one spectrum block to MSA/RSAs presents the risk that many small carriers will have to choose between acquiring licenses much larger (and therefore more expensive) than they need or foregoing participation in all or some of the auction. For example, in Indiana, Centennial's cellular licenses are primarily located in the northeastern part of the state and cover 32 of the 92 counties there. By contrast, the EAs that include those 32 counties would also require Centennial to acquire an additional 42 counties in the state. Even more striking is Louisiana where Centennial's cellular licenses cover 39 parishes. To acquire additional spectrum in those parishes using EAs would force Centennial

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 $<sup>^2</sup>$  See T-Mobile and RTG ex parte filing in WT Docket No. 02-353 dated March 11, 2005.

<sup>&</sup>lt;sup>3</sup> See Verizon Wireless ex parte filing in WT Docket No. 02-353 dated May 27, 2005.

<sup>&</sup>lt;sup>4</sup> See MetroPCS ex parte filing in WT Docket No. 02-353 dated June 29, 2005

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to bid on new spectrum covering the entire state. This result would effectively eliminate a significant number of carriers from participating in the auction, with the result that smaller, regional carriers would find it difficult to obtain the spectrum they need to offer advanced services.

Even assuming a mix of MSA/RSA and EA licenses, it is clearly inefficient for Centennial and other similarly situated carriers to acquire new spectrum in areas they do not currently serve because the newly acquired spectrum is intended to augment the frequency holdings of these carriers for purposes of broadband service. The newly acquired spectrum will, therefore, be insufficient on its own to offer meaningful competition in areas outside the carrier's existing markets. All of which, naturally, assumes that these small carriers have the means to acquire these geographically larger licenses for the purpose of satisfying their local spectrum needs.

With these considerations in mind, Centennial urges the Commission to adopt the proposal of MetroPCS and to modify it by designating one of the 10 MHz EA bands as additional MSA/RSA band. By doing so, the Commission will provide the holders of the 732 MSA/RSA licenses with a more efficient means of matching their spectrum acquisitions to their existing license boundaries.

Please feel free to contact undersigned counsel if you have any questions about this matter.

Sincerely,

Christopher W. Savage

COLE, RAYWID & BRAVERMAN, L.L.P.

Counsel for:

CENTENNIAL COMMUNICATIONS CORP.